

TO: Personnel Board

FROM: Otis Harris, Jr., Human Resources Analyst

DATE: 31 August 2023

SUBJECT: Engineering Financial Manager, Engineering Division

On April 10, 2023, Jim Wolfe, the City Engineer, submitted a request to Human Resources for a position study of the Engineering Financial Manager classification, position #1104, in Compensation Group 18, Range 14; currently occupied by Steven Danner-Rivers. This study request was to determine if -the Engineering Financial Manager classification is appropriately classified in the current salary schedule.

First, a review from the classification specification for the Engineering Financial Manager describes the work as:

...responsible professional, administrative, supervisory, and financial management work in the Engineering Division. The position is responsible for **developing, coordinating, analyzing and managing the division's financial programs and fiscal units, including the Sewer Utility, Storm Water Utility, Landfill Remediation Fund, and providing administrative services for division operations.** Under the general direction of the City Engineer and Assistant City Engineer, the employee in this class is responsible for **preparing multiple capital and operating budgets, develops and administers the division's financial controls and systems, payroll and purchasing, setting customer rates for utility services,** and provides all necessary internal, City, and regulatory agency reports; and assists in development and/or analysis of division programs, **operations and functions.** Work is characterized by regular use of **independent judgment, discretion, and initiative.** As part of the division's management team, the incumbent **participates in review, decision making and policy development for division operations.**
[Emphasis added]

Upon creation the classification of Engineering Financial Manager, this position focuses primarily on overseeing the development, coordination, submittal and implementation of Engineering, Landfill, Sewer Utility and Storm Water Utility's annual operating and capital budgets, providing leadership, policy direction and expert advice to professional and technical staff in the functional areas of general accounting, payroll and purchasing services, participate, provide assistance and represent the City Engineer as needed at Finance Committee, Common Council and a wide variety of other administrative meetings. Additional duties which logically fit to assign to the Engineering Financial Manager position include:

- Managing the annual borrowing for the division including Sewer Revenue Bonds and General Obligation Bonds to best meet cash flow needs and the balance of cash reserves verses debt proceeds. Includes working directly with rating agencies and the City's financial advisory firm, structuring the amount and term of debt, and maintaining compliance with federal arbitrage regulations.
- Managed the Landfill Remediation Fund, Sewer Utility, and Storm Water billings migration to MUNIS; previously housed in the Madison Water Utility. This position manages billings, including reconciling revenues and receivables, and overseeing customer service to respond to billing inquiries and needed adjustments.

- Maintaining a high level of expertise in all aspects of the MUNIS financial system, including budgeting, project management, payroll, purchasing and billing.
- Managing position control numbers for Engineering. The position reviews and approves requisitions and hiring in Neogov; as well as oversees personnel actions in MUNIS.
- Preparing annual Sewer Utility and Storm Water Utility financial statements in City's Caseware software.
- Leading a team in the main office's timekeeping migration from SharePoint to Kronos. With Information Technology's migration to M365, the current SharePoint application for timekeeping will become obsolete. This position identified replacement options ultimately selecting Kronos.
- Leads Engineering's payroll team in software configuration, employee communications, training and roll-out.
- Oversees and manages Engineering's development and implementation of Results Madison.
- Negotiates and monitors Memorandum of Agreement between Engineering and the Madison Water Utility.

These changes have increased the position's autonomy and discretion with work assignments, as well as coordinating and prioritizing accounting and financial projects. One comparable classification with similar a scope of work is the Treasury and Revenue Manager in Compensation Group 18, Range 16.

Treasury and Revenue Manager:

This is responsible managerial work in **planning, coordinating and implementing the programs, operations, and services of the Treasury/Revenue section of the Finance Department** consistent with governing State Statutes, Generally Accepted Accounting Principles, Governmental Accounting Board Standards, Internal Revenue Service, and City Ordinances. This **managerial position shall direct the collection and deposit of City funds** consistent with governing professional standards and the public interest, **incorporating oversight of strategic cash management and investment strategies.** This department head role requires **working in close cooperation with other City managers.** Reporting to the Finance Director/Treasurer, this position shall exercise considerable judgment and discretion in meeting established objectives. [Emphasis added]

I also reviewed the scope of work of the Water Utility Financial Manager classification in compensation group 18 range 15:

Water Utility Financial Manager:

This is highly responsible professional and managerial work in **planning, coordinating and directing the functions, staff and activities of the Administration Section** of the Madison Water Utility. The Administration Section comprises the following units: Finance and Accounting, Customer Service and Billing, and Meter Operations. The employee in this class **oversees and is responsible for the Water Utility's financial health and performance, including all necessary internal, City and Public Service Commission required financial reports.** The work entails the **overall management of the financial planning, accounting, billing, customer service, metering, and field**

service functions. The work also requires **the review and approval of rate increase applications to the Wisconsin Public Service Commission.** Work is characterized by a **high degree of judgment, discretion, and initiative.** As a member of the Utility's Management Team, this position **participates in the formulation of Utility policy and the identification and resolution of issues pertaining to management.** Work is performed under the general supervision of the Water Utility General Manager.
[Emphasis added]

The Engineering Financial Manager is more like the Treasury and Revenue Manager because:

- These positions prepare multiple capital and operating budgets, develops and administers the division's financial controls and systems, payroll and purchasing, setting customer rates for utility services, and provides all necessary internal, City, and regulatory agency reports; and assists in development and/or analysis of division programs, operations and functions.
- The Engineering Financial Manager manages the annual borrowing for the division including Sewer Revenue Bonds and General Obligation Bonds to best meet cash flow needs and the balance of cash reserves versus debt proceeds. Includes working directly with rating agencies and the City's financial advisory firm, structuring the amount and term of debt, and maintaining compliance with federal arbitrage regulations. Work is similar to that of the Treasury and Revenue Manager.

It is less like the Water Utility Manager because:

- The Engineering Financial Manager manages the Landfill Remediation Fund, Sewer Utility, and Storm Water billings migration to MUNIS; previously housed in the Madison Water Utility. This position manages billings, including reconciling revenues and receivables, and overseeing customer service to respond to billing inquiries and needed adjustments.
- The Engineering Financial Manager negotiates and monitors Memorandum of Agreement between Engineering and the Madison Water Utility.

Therefore its more appropriately placed in range 16 for the reasons highlighted above.

Now a review of the new duties assigned to the Engineering Financial Manager:

This is **highly responsible professional, administrative, and managerial work directing the budget, accounting, and financial management functions of the Engineering Division.** The work focuses **on overseeing the development, coordination and implementation of the Engineering, Landfill, Sewer Utility, and Stormwater Utility's annual operating and capital budget, accounting, and financial reporting systems, with managerial responsibilities in the areas of general accounting, payroll, financial management and purchasing services.** Under the general direction of the City Engineer, this position functions as an **Integral member of the Engineering Management Team by providing expertise in the areas of budget, accounting, and financial management.** This position **provides consultation at all levels of the organization and exercises a high level of independent judgment and discretion in developing program goals and objectives.**

This work that has evolved as City systems, policies, and programs have improved. The position has been assigned this work and should be properly compensated for doing so. Taking on this work has allowed the Engineering Division to comply with city, state and federal requirements as well as having improved Engineering's ability to analyze project and program effectiveness and efficiency.

After a review of the position, meeting with the supervisor and employee, and upon a full analysis, I recommend the following for the reasons outlined in this memo:

- Delete the Engineering Financial Manager classification in Compensation Group 18, Range 14 the of the salary schedule;
- Recreate the Engineering Financial Manager classification in Compensation Group 18, Range 16;
- Recreate position number #1104 in the new Engineering Financial Manager classification in the permanent salary detail of the 2023 Engineering Division operating budget; and
- Reallocate the employee Steven Danner-Rivers, to the position in Compensation Group 18, Range 16.

The necessary resolution to implement this recommendation has been drafted.

Editor's Note:

Effective Date: 4/16/2023

Compensation Group/Range	2023 Annual Minimum (Step 1)	2023 Annual Maximum (Step 5)	2023 Annual Maximum (+12% longevity)
18/14	\$ 90,912.64	\$ 109,445.96	\$ 122,579.60
18/16	\$ 99,835.06	\$ 120,312.14	\$ 134,749.68

cc: James Wolfe – City Engineer
Erin Hillson - HR Director
Kathy Cryan – Deputy Division Manager
Emaan Abdel-Halim – HR Services Manager
Steven Danner-Rivers - Employee